



## Episode 1,346: Libertarianism vs. Postmodernism and “Social Justice” Ideology

Guest: Michael Rectenwald

**WOODS:** Just so everybody knows, you're in a hotel lobby talking to us, and I appreciate your willingness to take time today, even under unusual circumstances. You're going to be giving one of the named lectures, the Mises Memorial Lecture, at the Mises Institute's Austrian Economics Research Conference in March of this year, just next month, and the name of it is "Libertarianism(s) vs. Postmodernism and Social Justice Ideology." Now, that sounds pretty darn good, and I'm really, really glad to see you now moving in our circles. The transition, shall we say, of Michael Rectenwald over to the other side seems virtually complete at this point.

**RECTENWALD:** I'm telling you, Tom, this is amazing, right? I mean, who would have thought — you know, three years ago I was writing critiques about the terminal decadence of capitalism from a Marxist perspective, and now I'm talking about the terminal decadence of Marxism from a libertarian perspective.

**WOODS:** That is absolutely crazy, and it's so, so unbelievably unusual. And of course, I'm inclined to ask you if there's any way you could take your experience, your intellectual experience and use it to reach other people who are in your initial starting position. But I think what had to happen — I don't know you that well, so I can't say this for sure, but it seems like what had to happen wasn't just, I've sat down and impartially reevaluated some ideas, but I think you had to be put through the wringer by folks on the left first, that then woke you up and major say, "Hold on a minute. Maybe I've got to rethink everything." Is that probably right?

**RECTENWALD:** Yeah, that's right. In fact, I've been criticized by leftists for this, that in fact, the initial impetus came from their barbarity, for lack of a better word, their outrageous cruelty and mob mentality and the mobocracy attacks on me. And they say, you know, you shouldn't change your political affiliation based upon the people involved. Well, I think there's something to be said for the idea that people's true character is more revelatory than, say, their abstract ideals, especially when push comes to shove and you see what kind of people you're really dealing with or how their ideology, I should say, has them operating. And you know, when people are telling you that, if they had the power, they would take you outside and shoot you in the head — which they did say to me — you know, that makes you think, *What am I dealing with here?* And so it did take that mob attack first, it took the mob attack, but then it made me look at the history of the ideology, and then from there, the rest is just history itself. I mean, it just rolled downhill. It became so easy to put the pieces together. And I was opened up to texts and ideas that I had been, you know, with my tunnel vision and the way that Marxism indoctrinates, it doesn't allow you to even look at.

So once I did that, the pieces just started coming together very easily. We talked about how difficult it was for me. Like I said last time, it was like coming out of Plato's cave, disoriented. You haven't been seeing the real world. You've been looking at a shadow of an artifact on the cave wall. Now, you come out into the sunlight, and you're seeing things with the blinders off for the first time in years. And it's disorienting, but on the other hand, exhilarating, liberating, integrating. More than anything, it's an integrating of all kinds of pieces of thinking and even of your personality, because so much of Marxism requires you to squelch enormous elements of the self, like your ambition, for example. What do you do with ambition under Marxism? What do you do with the love of family, the love of your siblings and your children above others? You know, this is just a fact of nature, but y there's no accounting for it in Marxism. Marx called for the abolition of the family in 1848. So I mean, this insanity that lifts off and allows you to become yourself.

**WOODS:** I'm curious about whether anybody guided you in the sense of telling you, "Look, if you're having second thoughts or something, here's what you should read." Because who would you have been in contact with who would have been conversant with these texts?

**RECTENWALD:** That's right. I was given hints. Different people that I interact with — I have a pretty broad circle of friends on social networking, and I had people recommending texts to me that, you know, "You should really look at this." Mises, for example, was recommended to me, and the calculation problem was pointed out to me. So I did then seize upon those texts, and I found them incredibly enlightening, especially the whole calculation problem had never occurred to me before. And the idea that capitalism was the rational system was completely anathema to me, and that's completely obverse to what Marxists think. They think a planned economy is the only rational system to meet human need. But then when you look at this calculation problem, you see that, really, it lies behind the so-called collective ownership of the means of production; you can see very clearly that there's no rationality. It's insane. It's like Mises said, it's like a blind man leading an exodus out of Egypt, really. It's that absurd.

**WOODS:** In our conversation today, we're going to do a little bit of a sneak preview of what you're going to be talking about at the Mises Institute, and I would like to start, even though this isn't really maybe our best starting point, since we are talking about social justice ideology, I couldn't help noting what Bernie Sanders said today when he announced for president. He was asked by Vermont Public Radio how he's going to pitch his candidacy when, these days, the field of candidates is so diverse. And I mean, what they were trying to say was: you're an old white man, and that's so 2016 for the Democrats. And here's what he said. And I could not believe how delusional this was. This was his answer: "We've got to look at candidates not by the color of their skin, not by their sexual orientation or gender, and not by their age. I think we've got to try to move us toward a nondiscriminatory society that looks at people based on their abilities based on what they stand for." Okay, I bet Donald Trump could have said that, right?

**RECTENWALD:** That's very curious. That is very curious. He's going out early against the grain of the Democratic Party, and they're all about identity, identity, identity. And you know, I mean, I agree with that, but it's not going to work.

**WOODS:** No, it shows how out of it he is in his own party — but it's not really his own party. I mean, you know, he's had a weird relation with the Democratic Party, but he's running as a Democrat. But for him to think that that answer is going to satisfy anybody is insane.

**RECTENWALD:** Yeah, it's very curious too. It's resonant of the Marxist axiom, you know, "From each according to their abilities"; that is, we'll take from you what you have to offer, but you're not getting anything in return commensurate with that. You're going to get what you need, so to speak, whatever that means.

**WOODS:** Yeah, indeed.

**RECTENWALD:** We know what that means. If you need a bullet in the head, you'll get that.

**WOODS:** That's right. Certainly we'll have no shortages of those in our society.

**RECTENWALD:** But yeah, I mean, that's very completely oblivious to what's going on in that party. That party is all about identity and standpoint epistemology, that is the idea that the person's identity determines what they can know and see and understand. This is what they're all about now, and there's no way around it. They have completely tied themselves to identity politics to such an extent there's no way around it, because they have nothing else to offer, first of all. They have nothing else to offer. They have no economic policy that makes any sense. They don't even know what it is, I don't think, anymore. You know, since the third wave of Clinton, so to speak, they haven't really found any moorings economically, so they don't have any policy there, so the only thing they can tie themselves to is the idea that they're champions of these various minorities and other marginalized peoples and so forth. And that's all they've got going, and we can see that in the case of the actor from the — I forget the name of the show, something *Empire*, you know, they're even staging attacks upon their identities in order to prove just how vital identity is and that everybody is walking around thinking about identity all day and all night, that people are attacking others on the basis of their identities, which is just so overblown it's unbelievable.

**WOODS:** Now, in traditional Marxism, I would assume that obsessing over this stuff would have been viewed as hopelessly bourgeois.

**RECTENWALD:** Oh, totally.

**WOODS:** We should be thinking of you know in a classless and even raceless sense about the workers' revolution. So this is a movement obviously — now, my sense is the proletariat didn't quite take to Marxism, particularly in the US.

**RECTENWALD:** That's right.

**WOODS:** And plus, the proletariat seemed hopelessly right-wing and backward, so screw those people; now we're going to try this.

**RECTENWALD:** That's exactly what they said. And it was the Frankfurt School, in particular, from the Marxist side that led that move, because it was Herbert Marcuse who wrote *One-Dimensional Man* and *An Essay on Liberation* and other books. He was saying, basically, this working class, they've capitulated totally to the capitalist system. Adorno complained that workers were driving the same cars as their bosses and listening to the same music as their bosses and watching the same programs or movies as the — he found that an abomination. I think it's wonderful. It showed that people aren't really bound by class like they're suggesting they are, that they don't want to be bound or identified that way. And that was why they

thought this class had been sold out or bought out or whatever. The only way to effect this revolution is to cobble together these various identity constituencies and then use that as a leverage or a fulcrum to drive change, revolutionary change.

And that didn't work either, because the identity politicking, of course, ends up in endless splintering, because the idea is just everybody is merely attempting to pervade the interest of their identity group, and they haven't been able to maintain anything like what Jesse Jackson many years ago called the Rainbow Coalition. They haven't been able to maintain anything like that cobbled-together identity consensus. Instead it's just been friction. And right now, of course, we know what's going on is a kind of an oppression olympics, and everybody's racing to the bottom of the subordination ladder, because the bottom is the top. When you get there, you notice that the totem pole of social justice is flipped on its head, and those who are at the bottom are suddenly at the top. That's why there's a race to the bottom. I mean, there's no race to the bottom if it's really the bottom. So that's really where they're at. They have no other ideas. They're out of ideas. They have completely expired. They have no ideas left at all.

**WOODS:** As you were making this move out of Marxism, this was at a time when the social justice ideology was really hitting its stride and peaking, so how did that affect your thinking? I mean, as I say, this clearly is not textbook Marxism, so I don't know if when you were a Marxist you were critical of them, or how did this all work?

**RECTENWALD:** Yes, even as a Marxist, you had to be very careful in your criticism. I wrote essays criticizing and more or less condemning identity politics and intersectionality theory, you know, that grid that determines where you are on the subordination ladder, depending on how many axes of power are intersecting your subjecthood. I wrote critiques of identity politics and intersectionality, postmodernism as well, postmodern theory, because there is a whole — you know, unlike what Peterson suggests, that there's like a huge rift between what we would call real Marxists and the identity politicking left. A lot of people don't understand, that people that would consider themselves really nitty-gritty Marxists will reject identity politics because it's not based on the kind of classical aberration that is Marxist. That is, the Marxist idea is that your identity is kind of supposedly not melted away, but melded into a broader class that is more important to your subjecthood and your position in society than your identity. For example, you had Barack Obama, an African-American, who was president of the United States and as a member of what they call the ruling class at this point. So certainly his African-American identity is not the trumping element there. It's his class position. So that's why they were very critical of — many, many, many Marxists were also critical of Obama. I was critical of Obama, as well.

**WOODS:** Looking at the title of your talk, the question immediately arises: what does postmodernism have to do with social justice?

**RECTENWALD:** Well, that's what I talk about in *Springtime for Snowflakes*. It is the epistemological and philosophical basis of it. The new social justice is based on postmodern theory. It's a kind of, I call it like a practical postmodernism or applied postmodern theory. It's a caricature, indeed, of postmodernism. As crazy as postmodern theory is, it is even crazier, and it's kind of a cartoon caricature version of it, but it's the basis — I point out in the book so many different links between the social justice creed and their sort of practices and their beliefs and their disciplinary mechanisms and postmodern theory. And also I should add, there's Maoist cultural revolution and Stalinist techniques also involved.

So like for example, if you wanted to know examples of like what is the connection between postmodern theory and social justice, one of them is this: the idea that in postmodern theory, there's the idea that the world as we experience it as humans is a construct, a social and linguistic construct that is rather an imposition of the minds, ideas, and the social ideas that we have on to the reality — or should I say, we actually create the reality through language and social ideation. That is postmodern theory.

The way that picks up in social justice is this idea, for example, in transgenderism — which we didn't talk about last time — is this idea that who I am is not really dependent upon any empirical scientific data. For example, my sexuality or my sexual existence is not that baseline; it's based on what I think it is and what I call myself, so that you can have 72 genders in the new transgender social justice ideological spectrum. And that is very clearly connected to social and linguistic constructivism, in which language is ultimately determining of the object world.

**WOODS:** Is there a way that the postmodern approach could be put to the service of libertarianism somehow?

**RECTENWALD:** That's a great question, and you broached this issue last time.

**WOODS:** Yeah, the last time we spoke, right.

**RECTENWALD:** So the idea there is this, and the reason why it would seem to be compatible in the sense of this, at least from the civic or civil and cultural libertarian aspect, the idea that anything goes in postmodernism and this bar against master narratives seems to be suggestive of a liberational mentality, that we are free from master narratives, and for example, that the state is necessary for the organization of the social order, that history is this — as in Marxism, that history is the history of class struggle, all these master narratives that have been binding us — if we could just shirk those, if we could just shed those, would be free of all these trammels of these oppressive ideologies. Well, there's some truth to that, but the thing is that postmodern theory suggests that the world is a construct, that it's socially and linguistically constructed, and then we construct our own narratives. But the problem here is that it depends finally on authority, because when anything goes, so to speak, somebody in the social body has to determine what will go. And what that comes down to is authoritarianism. It becomes an imposition of what will count as reality.

For example, in the state of New York now, on most bathrooms in the universities, at NYU, for example, and elsewhere, it says that persons can use the bathroom based on their identification as whatever gender they suggest they are. And that is a law, so that you can't discriminate against anybody based on anything phenotypical about themselves or any kind of criteria that used to be used to determine someone's sex. And similarly, you can't mispronoun someone in New York on a consistent basis without being levied, I think it's \$100,000 fine in the city of New York or the state of New York, because it's now considered a felony, a criminal offense to mispronoun someone consistently. So that you see, once anything goes, there becomes the possibility then, if no objective criteria for truth, it becomes possible for those in power to impose their version of truth. So the utter and total relativism and subjectivism, which seems on the surface to be very liberating, opens up the possibility for authoritarians or totalitarians to take control.

And this happened in the Soviet Union. Even though it's not postmodern, it shared with postmodernism this kind of philosophical idealism or the idea that the object world or reality is a construct of the mind, and that whatever we say is true is true. For example, with Lysenkoism — that is, the agrobiologist Lysenko, who imposed upon the whole Soviet Union his notions that he was a Lamarckian, he believed in the inheritance of acquired characteristics, and he thought that you could change, for example, particular crops into variations of other crops or even into a different species based on what you expose them to environmentally. And this became law. You couldn't speak against Lysenkoism without going to prison or worse. And there was a scientific witch hunt against those who held on to Darwinian ideas of evolutionary inheritance. So you see how this kind of willy-nilly, anything goes subjectivism and philosophical idealism lends itself to authoritarians to come in and impose upon people what's real, rather than allowing them to adjudicate it based on empirical data.

**WOODS:** Can you just clarify one term that we hear a lot. The last time you were on, we talked about postmodernism, post-structuralism, one or two other things.

**RECTENWALD:** Yeah.

**WOODS:** What about this term deconstruction? What's that all about?

**RECTENWALD:** It is a philosophical movement founded by Jacques Derrida, a philosopher, and Paul de Man, a literary critic. And the idea there is this — I'll give you this in the shortest possible version. There's a quote from *Of Grammatology*, which was written in 1968 by Derrida, or published in '68, and it's this: "There is no outside of text." That's the main axiom of deconstruction. That is to say, there is no outside of text. What he's saying there is that we normally think of language as pointing to or referring to ontological or existing things outside of itself. Derrida said no, the whole of Western philosophy has been built on this sham that texts refer to something there, like truth or beauty or justice or even the object world itself. This became problematized by Derrida, who said, no, text doesn't refer to anything but other texts. Text only points to itself. There's only really one thing that text signifies, and that is other text. Text, it's a circular system that has no outside of itself. It's completely self-referential. This is what deconstruction is based on, and the idea, then, is that — so they gave up on the idea of Marxist revolution, postmodern theorists did, and they thought that things like language, that was the real power structure that was binding us, so if we could just deconstruct different concepts that are imposed by language or show how they're deconstructed on their own, then we're liberated from the power of these ideas and so forth. It's a very idealistic, in a philosophical sense, notion that, you know, really it's a denial of the material world, in the end.

For example, in the '90s, late '90s or early-late '90s, in my field of 19th century studies you couldn't refer to like the working class, for example, which is a very typical trope to speak about as a real material reality. You had to talk about it as a social construct, as something that's been historically and socially and textually produced. So everything becomes a matter of text. And it works very well for literary critics, because then they're in a power position of saying, like, everything comes down to language, so therefore, people working in language are doing the biggest, most important work there is, and that puts them in a sort of power position. And there's all kinds of craziness that went on in the academy based on this stuff. You wouldn't believe the extent — I guess you would — the extent to which people have taken these ideas, so that people started to believe that your subjectivity or your personhood is completely a textual artifact, that you, Tom Woods, are not there, there. You know, as

Gertrude Stein said, "There's no there there," and this was sort of the same moment. There's no there there, and that is the idea that the whole thing is a textual product. What a nutty idea, right? I mean, it is so anti-empirical, anti-material. It's really anti-reason. It gets to the point where it's anti-rationality, in the end.

**WOODS:** I bet there are people advocating it, though, who view this and related ideas as being forms of liberation.

**RECTENWALD:** Absolutely. And they parade around the academy like they're radicals who are really doing the work of liberation, by liberating people from oppressive ideas about themselves or oppressive notions. And you can see how this feeds into the social justice movement, the idea that naming is all-powerful, what you name yourself and what others name you. So your idea of deconstruction there is to resist other people's naming of you and to reimpose your own naming as a countermeasure against their power over you through language. Those are the kinds of things that these people do or think about or pretend to act like they're going or see as really the main axes of efficacy in politics and stuff. So yeah, there are a lot of people in the academy that are still totally sold on this kind of idea. In fact, I was reading — continue to read stuff from the left and the Marxist left — a guy who wrote a criticism of the way this Marxist C.L.R. James — he was an African, Caribbean, I think, Marxist — and they take him and they turn him into something other than a Marxist. They turn him into like these identity categories, hybridity and mulatto identity and things like this, and that his real struggle was not against the class structure or anything like that, but rather against the imposition of European, Eurocentric identity categories on himself. And this particular Marxist sees this as a — he calls the leftism a right-wing leftism in the academy. So it's very curious. I like to see them squabbling among themselves.

**WOODS:** Well, don't we all? That's a great thing to see.

**RECTENWALD:** Yeah, I mean, so there is a huge set of fissures within leftism that people don't really recognize. There's just massive in-fighting and sectarianism and internecine squabbling that's just —

**WOODS:** Yeah, see, I think libertarianism is one big happy family by comparison. People say that we fight all day.

**RECTENWALD:** Yeah, there's some different schools, you know, but I don't see it as like this kind of — first of all, there seems to be some fundamental principles that are pretty well agreed upon. For example, that the individual exists [laughing]. He's not or she's not just a textual artifact; she is a real or he is a real person and should have rights accorded to their personhood, and that their liberty is key, and that society is based upon the liberty of the individual, and if it's not, then it's oppressive. And that's the real kind of oppression, and that is usually state imposed, or other types of institutional impositions of authority upon persons as against their liberty. I think I see this across the various schools. When I talked about it in the title of the talk, "Libertarianism(s) vs. Social Justice and Postmodern Theory," what I mean by pluralizing it is not so much the different schools, but the different elements of libertarianism, the civil, cultural, and economic elements, which I see — I think there seems to be a broad accord about the civil and cultural elements. The economics, there are always going to be differences, and I think that's the case. But you know, I'm not pretending to be an expert. I am still a novice here, and it's a very fun initiation that I'm going through. I love it.

**WOODS:** It must be. It must be a very interesting experience. I will warn you there are some nasties out there. We've got some nasties.

**RECTENWALD:** I know.

**WOODS:** And you know, there are institutional rivalries and all that.

**RECTENWALD:** Of course.

**WOODS:** But you know, I just turn my computer on and speak into my microphone, and none of that matters.

**RECTENWALD:** Yeah.

**WOODS:** I want to talk about some cultural developments that have gone on. You made reference at the beginning to the hoax hate crime, and then there was the way the media covered the Covington High School thing, which was the exact opposite of how they portrayed it. That Congresswoman Omar from Minnesota tweeted out that the boys were harassing some black men. The exact opposite was the truth. They didn't go near those black men. The black men were screaming obscenities at them, and they sat there and took it. And Reuters just reported that an independent report of the situation exonerated the boys and said that we see no evidence that they returned any of these racist insults in kind. If they had, we'd never have heard the end of it. So we had that episode, where we got the exact opposite of the story, and then we've had you know this *Empire* actor yeah supposedly being attacked in Chicago at two o'clock in the morning when it's 20 below zero, people shouting, "This is MAGA country." No one ever said that. They would have to be laughing to say that about Chicago of all places [laughing].

**RECTENWALD:** Right.

**WOODS:** So in other words, there should have been alarm bells going off. Something was off about these things. You should have thought to yourself, *Something's fishy about this. This is so perfect and neat, it says so exactly what I as a left-winger want to hear, that it's almost too neat.* You know? And yet there was this urge, this desire to believe it.

**RECTENWALD:** That's right. There's been a lot of staging of so-called hate crimes by anti-Trump or the resistance people. And you know, so many of these so-called hate crimes are completely fabricated. And you know, the idea, first of all, going back to those high school students in D.C. wearing the — the only thing they did wrong, apparently, was to where the MAGA hats, which, according to the resistance, is itself a form of violence, that you can't express certain things, because those things are violent and therefore they are actually oppressing me. So, this is very, very — of course, this is very, very social justicey, and of course, you can see the postmodern theory theoretical basis there too. Language itself has this power to produce reality, and therefore, can impose upon others its oppressive character, and therefore, wearing a MAGA hat makes you an oppressor, and you're committing "discursive violence" against.

**WOODS:** But you know what's interesting about this, Michael? Let's suppose it had been ten years earlier. Now granted that SJWism hadn't advanced as far. But let's say I had been



wearing a George W. Bush hat. Now, they would have thought, *Okay, that's just pretty stupid, and we don't like that either*. But there's no way that would have generated this visceral response, even though Bush was responsible for I don't know how many deaths in that Iraq war. We still don't really know. But it was a totally avoidable conflict where actual people died. And this kind of would make them say, "Oh, that's a little bit gauche of you to wear that hat." Whereas this hat makes them insane. And yet actual — now, that's not to say Trump hasn't killed people in foreign affairs. I mean, I'm against that too. But nowhere near the death toll of George W. Bush. So it's like being perceived as not nice is worse than actual killing.

**RECTENWALD:** That's right. It's bizarre. I mean, this is all — and I basically say this in *Springtime for Snowflakes*. Their whole politics is purely semiotic; that is, it's all about signs. It's nothing about the real world. And that's where I said it's like deconstruction in action. Everything is about signifiers and what they signify rather than what anybody does, so that, for example, wearing that hat is anathema and it's terrifying and it's horrifying and it's violent, even though, as you said, Trump has basically relatively quiescent in terms of foreign policy, and he's certainly not the warmonger that the Bush administration, I think propelled mostly by Cheney, was. And of course there's enormous catastrophes that have been visited upon the Middle East by Bush and company, and yet, strange thing is, elements of the resistance are now embracing Bush as if he's their friend. So the enemy of my enemy is my friend, that's their idea, you know, for example, because he also hates Trump and they hate Trump, so therefore, they are now in a love embrace. It's just beyond belief.

**WOODS:** It is.

**RECTENWALD:** So yeah, it goes down to semiotics again. It's like sign systems. Their politics is strictly sign systems. I talked about this in the book, for example, just in the celebrity culture. Taylor Swift before she went social justicey real recently was basically resisting politics in her Twitter account.

**WOODS:** Yeah.

**RECTENWALD:** And she was called out because she didn't tweet about the Women's March. She didn't have the pink hat. She didn't go in for the whole nine yards, and she said nothing about Trump. She didn't condemn Trump, which I guess is obligatory. You've got to condemn Trump to be in the social justicey culture industry. And then there was this woman who was another singer who said that she was assaulted by her manager, and so she was trying to get a new manager and so forth. You know, so it happened like ten years prior. And although Taylor Swift donated \$250,000 to this woman, she was condemned for not tweeting about her. Okay, so tweeting is more important than actual philanthropy.

**WOODS:** Yeah. And it just goes to show that it would have been better — especially given that Taylor Swift is at a point where nobody can stop her. Nobody's going to destroy her career. She could have said, "Well, part of being an independent woman is not being bullied into doing something I don't want. I don't want to bring politics into music. Leave politics to the politicians. I'm here to bring some happiness into the world. And yeah, tweeting about marches and anger and screaming isn't my sort of thing, and that's what makes me an independent woman." Everyone — or not everyone. A lot of people would have stood up and cheered. And instead, she caved, and the caving is never, ever enough. When are these people going to learn? The caving is never enough.

**RECTENWALD:** It's never enough. It's always too little, too late. You cannot apologize. You cannot give into this, because once you give in, they have you. It's like a shark has a hold of your leg at that point. It's just now the blood is in the water, and the rest of the sharks are on you. So you don't want to bleed. You don't want to give up. You don't want to give them any signs that you're open to their administration, because once you do that, they're in charge, and they will kill you. I mean, they'll devour you if they can. And yeah, the only thing she could get ruined by would be saying something that they could sink her with.

**WOODS:** Yeah, and all she has to do is just not open her mouth, and that solves that problem.

**RECTENWALD:** She doesn't have to say a thing, and that's exactly what she wasn't doing. In fact, during the so-called Muslim ban, she didn't tweet about it, and she was getting called out, as they say, for that. She wasn't tweeting against the Muslim ban. Instead, she released a record with a Muslim artist during that period of the uproar about the so-called Muslim ban. She was still condemned, even though she's doing something real, hiring somebody or at least giving somebody some sort of platform to perform their music with the world's leading pop star. She's obviously giving the person a leg up who was Muslim; yet, that wasn't good enough. That wasn't good at all, in fact. That was not deemed satisfactory to the social justice left. They want compliance. They want the tweets. They want the pussy hats. They want the marches. And then this one critic said, "Until she says something and shows up at the march, I don't care what she does." So despite the money, despite hiring a Muslim artist, despite all the other things she did materially to benefit other people, that doesn't count. It's the tweets and the marching and the pussy hat that counts.

**WOODS:** You know, just the other day, I've been listening to some Alan Parsons recently, and he was a singer a little bit, but he is known more as an engineer. He engineered Pink Floyd. And so I was just typing and googling; I was wondering what his relationship was like with Roger Waters, who was the bassist for Pink Floyd, who's now a solo artist. And what I found out was that several years ago, they had a falling out over more or less this kind of thing, where Waters is very politically preachy these days, and he was trying to force that on Parsons, who said exactly what I said to you. That's really where I got it from: "Leave politics of the politicians. I'm a musician. Musical art knows no borders, and I'm going to play anywhere I want to" — because Waters was trying to tell him he shouldn't play in Israel out of protest. And I can understand both sides of that argument, but I totally get Parsons saying, "Look, however politicians want to resolve these issues, I want to bring my music, because I think it has a healing effect on everybody." And he just said, "Look, this is my final statement. I don't want to do politics." And he just left it at that. And now, you know, he's semi-retired. He can do what he wants. It does not matter to him. And he lived to tell the tale.

Now, I'm curious about what your interpretation of what's going on in the business world and on corporate boards is, because it seems like to be a CEO these days, every single word out of your mouth has to be predictable and I could script it in five seconds. What's going on there?

**RECTENWALD:** I mean, this is just — I wanted to ask you. I wanted to get your perspective, but let's talk about it. I've been writing about this now. For my next book, I'm talking about this phenomena, I guess, of "woke capitalism," or a broader phenomenon which I'm calling corporate leftism, or this embrace of leftist, contemporary, actually-existing leftism by corporations in their advertising and their policies and I think in their branding. I mean, you saw Adidas, for example, had released a white tennis shoe, all white tennis shoe during Black History Month, and they pulled the line after they produced I think tens of thousands of them.

They pulled the line because they had released a white tennis shoe during Black History Month. And then, of course, there was the Gillette woke ad, the "me too" Gillette toxic-masculinity-condemnation ad, which you know, you have these men shaving or at least they're facing a mirror, three people facing a mirror, and they're looking in the mirror not to shave, but to examine and to look for signs of toxic masculinity that may be outcropping from their character, rather than looking for stubble outcropping from their faces up. So they're trying to excise these elements of toxic masculinity from themselves, and they're also chiding other men to do the same. And so, I mean, you have all this kind of wokeness going on.

And so I've been trying to figure out what's going on here. What is it about the corporate world that is causing them to embrace leftism? I have a theory, but I want to hear yours first.

**WOODS:** Well, I have just some mundane thoughts about it. I think, to some extent, we have to consider the possibility that they're just sincere and that they think this is the right thing to do. That's at least not a metaphysical impossibility. However, I find it highly unlikely, because there are any number of things they could be sincere about. Why do they always choose this stuff? They could be sincere about a lot of things, you know, saving alligators somewhere or whatever. But it's never that. It's always this. So it can't be just that. I wonder if, for some companies, it's a way of kind of proactively keeping the left off their case, by having just in the back of the left's mind, they think, *Well, Gillette's probably okay*. Just subconsciously, they wouldn't even think to go after them for anything. When it turns out that their whole board is white male or something, well, they've already kind of isolated themselves from those kinds of attacks. I wonder if —

**RECTENWALD:** An inoculation, yeah.

**WOODS:** Yeah, yeah, exactly, inoculation. I wonder if there's something to that. In the same way that I have a friend who had a company in Texas years ago, and he told me that — I can't remember what Jesse Jackson's group was; was it the Rainbow Coalition?

**RECTENWALD:** The Rainbow Coalition, yeah.

**WOODS:** Yeah, and Jackson's group would go around to businesses and say, "You know, we're having our big banquet here soon, so we'd like to know what your financial contribution is going to be." And everybody knew exactly what this was: it was a shakedown. *So if you make a contribution, we won't bother pointing out that you haven't hired as many blacks as the law strictly requires you to. Even though there aren't enough blacks in this neighborhood for you possibly to have done this, we could still harass you forever if we wanted to.* And everyone knew this was what was happening. This was completely cynical. There was nobody who thought, *Oh, what a lovely bunch of people having a big banquet. I'll write them a check.* Nobody thought that's what was going on.

**RECTENWALD:** Yeah. I've looked at different theories about this. One of them is that, with the changing demographics of the workforce and the consumer base, that these corporations are trying to reflect the diversity in these constituencies and then then get paid back in brand loyalty. The other one is that you know, the *New York Times* guy that quoted this — actually, I should say coined the term "woke capitalism" Ross Douthat, he said basically that it was a way of compensating with symbolic value in place of material value, for example, as opposed to giving raises or better benefits or something, they get this symbolic gestures for corporations. And it also apparently palliates the liberal elite, who might otherwise impose

higher taxes or rail against the monopolies and so forth and so on. Those are two theories. Then there's the cynical, more I should say, I guess I would call it post-truth version of things, and that is that this is about nothing but, in the end, fulfilling Milton Friedman's profit-only maxim, that the corporation has no other function but to produce profit, and that this is therefore profit-driven. It is not an exception in some sense. They're not suddenly going to be socialists, although they might even pretend to be. It is just a way for them to, as you said, it's a cynical maneuver to improve the profit margin.

**WOODS:** It's just interesting that that does improve — because in some cases, I think it does improve the profit margin, but in other cases, you do risk alienating people, and that's a really risky roll of the dice, if you ask me.

**RECTENWALD:** Here's what I think. Yeah, that's right. I think it's a risky thing, and that's why I think my theory is this: I believe that leftism, contemporary leftism is serving their interests. Let me just say how. Okay, so in order for like a political creed to promote the interest of a global capitalist corporation, what would be some of the things that they would promote? They might seek, for example, new niche markets, right? So they're looking for different markets to develop and then fill. And that's perfectly fine. So one of the things about leftism is it produces new niche markets all the time. Well, how so? It creates new identity categories on the fly, right?

Another thing is they might be concerned about organized labor. Well, this kind of splintering that goes on within leftism keeps these people at each other's throats, and so therefore, it would mitigate the possibility of organized labor. There's the other possibility that they want to create entirely new identity types through gender pluralism, transgenderism, and what other morphisms they can think of, and this benefits the corporation, again, with niches and also makes cooperation between workers less likely and things like that. And is it possible that a contemporary leftism might benefit corporations by dissolving the family, dissolving gender identities, dissolving natural social hierarchies, obliterating historical memory and inherited culture — Christianity, the nation state, etc., etc.? I mean, I don't want to sound like a leftist here, but it seems to me that corporations are embracing corporate leftism not out of some cynical profiteering mode. They are sincere in the sense that it actually is their ethos, and the ethos benefits them. What do you think of that?

**WOODS:** So are you saying that it's easier for corporations to market to people who are completely unattached to traditional association?

**RECTENWALD:** That's right.

**WOODS:** But on the other hand, but at the same time, they're also embracing identity politics so hard, so it seems like they're doing two different things.

**RECTENWALD:** Well, what they're doing is they're allowing for new identity categories to be produced on the fly, almost, and therefore, they can market to those things much more narrowly through niche marketing. But also they are able to then dissolve other kind of barriers to their marketing through dissolution of the family. Why is the family being dissolved? By virtue of dissolving gender. I mean, if you get rid of man and woman, you're more than halfway through with the family. I mean, basically it's a unit that's based on these particular stable social ontologies. If you get rid of these social ontologies, then you've destabilized something like the family, you've destabilized — I think the nation state is

definitely at issue here, and I have my own views about what the nation state's for, and if you make irrelevant the nation state in a sense, this also helps you in terms of labor and of course the movement of labor and goods. Now, I'm not against the movement of labor and goods, but in fact, I'm for the movement of labor and goods internationally. I'm certainly in that sense, of course, libertarian. I believe that goods and labor should be able to move freely throughout the world. But the nation state itself is the bastion of rights. Right now, it's the only means by which we have any guarantee of rights, and so if you make that governmental feature, if you obliterate it, then how are we going to protect rights? Where's the protection of rights going to come from? I guess that's my concern. Now, may make me bad in some sense, but at this point, the nation state is seemingly the anchor for the palette of rights that we do have.

**WOODS:** Well, there's a lot that can be said about that, and I've already kept you longer than I should have. I will just make a tantalizing remark here, that it seems that the correct — well, I don't know. I don't want to say that. Let's just say my point of view on libertarianism is that what we're trying to say is that society can manage a whole lot of the things that I think the state has to manage.

**RECTENWALD:** Right. I agree.

**WOODS:** But then we have libertarians with leftist leanings who then want to make society impossible. They want to destroy every traditional thing and mock it and be sneering toward anybody who believes in it. And just every new novelty that comes along, they jump on the bandwagon. And so we have a society of people who are clueless, morally clueless, just walking around with no idea which end is up. How are you going to make that work? I mean, they will not root anything in anything. So religion, we know that's backwards and superstitious. *Why, that's like the Flying Spaghetti Monster.* Like whatever it is, they don't even have some kind of sense of, *Well, I don't believe this, but I wonder what function it has played in society.* Or, *I don't like that institution, but does it do anything?* They're just too busy knocking down foundations and pillars everywhere. No, no, that's the opposite of what a libertarian should do. The point is: we don't need the state, but we will need something. And if everything they do is to undermine it, what's the point?

**RECTENWALD:** Yeah, I shouldn't qualify what I said about the state. The state is merely a stopgap measure at this juncture, is what I'm getting at. I don't think it's the ultimate guarantor, or necessarily the guarantor at all, but in the absence of anything else, it's the guarantor at this juncture in history. And I don't think it should be necessarily at all the guarantor, but what I'm getting at here is that I think what's happening is that certain corporations are starting to take on governmental functions, and that they're starting to be government — you know, as you're suggesting, they're imposing a sort of authoritarianism of values that is then more or less governmental in the fact that it is starting to control behavior. And as long as that's the case, there has to be some sort of a bastion or a kind of secure anchorage for rights against that kind of imposition. Are you following me?

**WOODS:** Yeah, I am, I am. I mean, I guess where I'm coming from is the — I did an episode on this not too long ago — is when we look at like some libertarians and some conservatives, and their concern is that there's been an acidic eating-away at traditional forms of association. So localities have no function anymore, because all of those have been usurped. Or whatever other types of things people might love and celebrate have — because you have a central state that can override anything. It can tell this institution what to do, that institution what

to do. But yet, it's all these institutions other than the state that make society work and that we are going to need, and especially the family.

**RECTENWALD:** That's right.

**WOODS:** And then to just say, well, the family's just some stupid arbitrary grouping of individuals, all right, I mean, you can try that theory out if you want, but it's just not what I'm about. It's not at all what I'm about. Or I just don't — look, I don't want to criminalize prostitution either. I don't want to do that, because I mean, why should somebody's — you know, if somebody has a bad moral foible, I don't believe in destroying the guy's life forever for that. Now, I have I have no interest in, remote temptation in that direction whatsoever. But that's irrelevant. I don't want aggression initiated against people. But at the same time, I just don't get the positive celebration of this or the positive celebration of drug culture. Yeah, I don't want people going to prison, having their lives ruined because they use drugs, but at the same time, there's nothing whatsoever in libertarianism that requires you to positively celebrate these things.

**RECTENWALD:** Yeah, that's right.

**WOODS:** Or call these people heroes or something. They're not. They're just people engaged in a transaction. Let's bring the rhetoric down a bit.

**RECTENWALD:** Yeah. And getting back to this idea of the corporate governmentality, if I may, one of the problems is that you have corporations colluding with the state in order to impose, for example, raise prohibitions. For example, before they were called out on it, Google was about to unleash Project Dragonfly in China, in which if a person made a search using their new Google App online, that search if it was forbidden would send information directly to the state. I mean, this is what they were about to do. And the only reason they stopped is they got busted. They got caught with their hands in the cookie jar, because they were going to unleash this on China. So I mean, there you have corporations that are acting in governmental function. That's what I'm getting at. Obviously this is crony capitalism. They're trying to ingratiate themselves to the state and allow for monopoly development, and I think this is utterly anathema to libertarian ideals.

**WOODS:** Yeah, listen, obviously this conversation could go on for the rest of our lives, and I would actually enjoy it. I really would. And I've got to let you go. We're already at —

**RECTENWALD:** [Inaudible] too much.

**WOODS:** Well, the thing is I'm making a mockery of my tagline at the end: "Become a smarter libertarian in just 30 minutes a day." All right, well, that's still possible, but you'll have to devote two days to this particular episode [laughing]. But anyway —

**RECTENWALD:** Sorry.

**WOODS:** No, no, no. By no means should you apologize, because the fact that I'm not even looking at the clock means that it was a great conversation. I hope I can have an opportunity to meet you. As I said, I don't know my schedule just yet as to whether I'll be able to go to the Mises Institute, but just so everybody knows, the Austrian Economics Research Conference at

the Mises Institute is taking place March 22nd to 23rd, so you don't have a lot of time, but you can still register. There are a lot of great scholarly papers that'll be delivered, as well as the named lectures, of which one of the speakers will be Professor Rectenwald. So is there a place you'd like me to send people to to follow you? I'll link to it on the show notes page too.

**RECTENWALD:** Yeah, please follow me on my Twitter account at @antiPCNYUprof. You can follow me on Facebook. You'll see it's Michael Rectenwald, I have the main name there for that. I have plenty of friends and followers there. Also, if you'll go to my website, MichaelRectenwald.com, where I keep most of my writings. And also for press, interviews and press coverage, and also new essays on social justice, SpringtimeforSnowflakes.com. I know there's a lot of locations there, but pluralism is my name.

**WOODS:** Well, I'm going to make sure they're all linked at TomWoods.com/1346. I'll let you go again. I appreciate your willingness to sit down even in a hotel lobby. Everybody appreciates hearing from you. Thanks a lot.

**RECTENWALD:** Thanks, Tom, appreciate it.